







# Candidate Aims to Make Michigan and U.S. History



By David S. Broder  
Washington Post Service

DETROIT — "Together," the ads say, as rows of cheering white faces crowd around the handsome black man on the podium, "we will make Michigan history. We will make American history."

The first ad for William Lucas, who last year switched parties and who last month won a hard-fought battle for the Republican gubernatorial nomination, reaches right to the emotional bottom line of this year's Michigan contest.

"Some will say I cannot be elected governor," Mr. Lucas intones, in an excerpt from his Republican convention address, "that the barriers of ignorance and bigotry are still too strong. They do not know the people of Michigan, their wisdom and their fairness."

This appeal to make the former New York City policeman, FBI agent, sheriff and elected county executive the first black governor in the United States since the Reconstruction period after the Civil War is designed, strategists for Mr. Lucas say, to solidify his support among traditional Republicans in outstate Michigan — to whom he's largely a stranger — and to increase his share of the normally Democratic black vote here in Detroit.

It is a plausible strategy, but so far it shows no sign of denting the almost 2-to-1 advantage Governor James J. Blanchard, a Democrat, has in his base of support.

The reason may be that it does not answer

the concerns of voters such as Brian Fitzpatrick, 26, a claims examiner, and his wife, Julie Gerardo.

In their modest home in a ticket-splitting precinct in suburban Royal Oak, they explained that they voted for Ronald Reagan in 1984 but plan to back Governor Blanchard in November.

"Blanchard has done a good job," Mrs. Gerardo said. Her husband agreed: "I can't say any reason to change."

Mr. Blanchard's confident managers think that most Michigan voters are, like Mrs. Gerardo and Mr. Fitzpatrick, less interested in "making history" this year than in making a living.

With unemployment half what it was at the start of Mr. Blanchard's term four years ago and many business leaders agreeing with his boast that this is "the turnaround year," polls show him cruising comfortably 20 to 30 percentage points ahead of his challenger.

Mr. Blanchard, 44, noted in an interview that "Michigan elections tend to be close," but he added, "I went into this race with the broadest base of support of any Democrat in modern times. My goal is to carry every county if possible, and certainly every region of the state."

That would have seemed absurd in 1983, when Democrats lost control of the state Senate in recall elections sponsored by Mr. Blanchard's whopping tax increase intended to reduce a

\$1.7-billion recession-induced deficit. But as the national economy and auto industry rebounded, he was able to restore funds cut from schools and social programs while reducing tax rates — a hard-to-best combination.

He has won endorsements from the normally Republican Michigan Farm Bureau and the Retail Federation, and polls show him with a 55-percent approval rating among Republicans and one-third of their vote.

While Mr. Lucas's primary victory captured national headlines, Mr. Blanchard won notice at home by announcing the backing of 250 chief executives, ranging from Ford and Chrysler to small firms in such normally conservative communities as Holland and Farmington.

Mr. Lucas, 36, is a great success story. He was orphaned at 14 in Harlem, studied law at night while on the police force and has seen three of his children become doctors, one a medical student and one a police officer.

His basic argument is that Mr. Blanchard's "turnaround" is illusory, that Michigan is unattractive to business and that long-term economic growth requires a "supply-side" program of income- and property-tax reduction.

But polls show him winning only about 20 percent of black votes, mainly from younger professionals. And Republicans are deducting in record numbers, some because they oppose Mr. Lucas's strict anti-abortion stance and tacit alliance with Christian-right backers of the TV evangelist, Martin G. Robertson.

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# U.S. Now Believes Arthur Walker Headed Spy Ring, While Still in Navy

By Philip Sheron  
New York Times Service

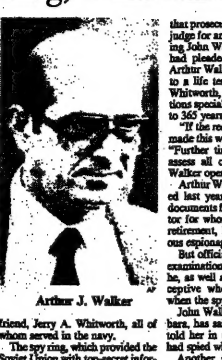
WASHINGTON — The Justice Department has scheduled a new interrogation of Arthur J. Walker, convicted of spying for the Soviet Union, and experts now believe that he, said his brother, John, may have created the Walker family spy ring, according to Reagan administration officials.

The department follows reports by Justice Department officials that John A. Walker Jr. fled during recent polygraph, or lie-detecting, examinations about the extent of the spy ring and its origins.

Officials said that information from Arthur Walker would be compared with statements from his brother, a former navy warrant officer who has described himself as the leader of the spy ring.

Officials said the new interrogation of Arthur Walker would center on allegations that he began his espionage activities while in the navy rather than afterward. Before retiring as a lieutenant commander, he had access to secret documents about the U.S. submarine force and once taught submarine warfare tactics.

Administration officials said the decision to interview Arthur Walker again was important because they were moving quickly to try to verify or disprove John Walker's account that he started the spy ring and that it consisted of himself, his brother, his son, Michael, and a



friend, Jerry A. Whitworth, all of whom served in the navy.

The spy ring, which provided the Soviet Union with top-secret information about naval communications, has been described by the U.S. as one of the most damaging in American history.

A U.S. district judge in Baltimore, where the case against the Walkers has been prosecuted, recently agreed to delay the sentencing of John Walker until Oct. 3.

The U.S. attorney for Baltimore, Brockbridge L. Wilcox, confirmed

that prosecutors might soon ask the judge for another delay in sentencing John Walker and his son. Both had pleaded guilty to espionage.

Arthur Walker has been sentenced to a life term in prison, and Mr. Whitworth, a retired communications specialist, has been sentenced to 365 years in prison.

"If the request is made, it will be made this week," Mr. Wilcox said.

Further time may be needed to assess all of the respects of the Walker operations.

Arthur Walker, who was convicted last year of stealing classified documents from a military contractor for whom he worked after his retirement, has denied any previous espionage.

But officials said that polygraph examinations have determined that he, as well as his brother, was deceptive when questioned about when the spying began.

John Walker's former wife, Barbara, has said that Arthur Walker told her in the late 1960s that he had spied while in the navy.

Another source knowledgeable about the case said he believed investigators also would press Arthur Walker to reveal if there still are members of the spy ring who have not been identified or charged.

Fred Warren Bennett, John Walker's chief defense lawyer, said he understood that John Walker would be questioned about his role as spy prior to 1980 in the espionage operation.

# U.S. Army Is Accused of Losing Virus

By Philip J. Hiltz  
Washington Post Service

WASHINGTON — A former researcher for the U.S. Army charged that a large amount of a disease-causing virus was discovered to be missing from a biological warfare program at Fort Detrick, Maryland.

In an amendment Tuesday to a suit in U.S. District Court, Neil Levin, a former laboratory director at the Army Medical Research Institute on Infectious Diseases, said he discovered that more than a quart (about one liter) of the virus was missing in 1981 while he was using it to make a vaccine.

The virus causes a disease called chikungunya, an illness common in Africa and Asia, that produces quick, severe symptoms like those from an extreme flu.

Mr. Levin said security is so lax at Fort Detrick, where numerous deadly organisms are stored in quantity, that large amounts of hazardous material could be carried out of the laboratories in a pocket or a briefcase by any employee cleared to work there.

Army officials denied Mr. Levin's charges, saying that he had overseen the laboratories, Colonel Harold Lupton and Colonel C.J. Peters, said in interviews Monday, that no virus was missing. A technician

disposed of the virus because it was "contaminated" and was useful for research, they said.

The colonels added that while no formal investigation was made, the matter was looked into at the time. They said that no inventory of hazardous material is kept and no routine searches are done, but that few employees have access to the laboratories.

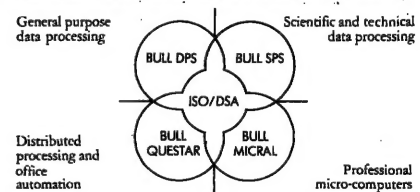
Mr. Levin's charges came in an amendment to a suit filed Sept. 2 by the environmental activist, Jerry Rifkin, and his Foundation on Economic Trends. The suit seeks to force the Department of Defense to

halt biological-warfare research until the environmental impact of the program can be assessed.

At Mr. Levin's request, Senator Charles McC. Mathias, Republican of Maryland, asked the army last winter to investigate the missing virus. A reply May 13 from the Office of the Inspector General said its inquiry "substantiated Dr. Levin's allegation that no investigation was conducted into the disappearance of the virus; however, management did consider the matter and determined an investigation was inappropriate since the virus was not biologically hazardous."



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# DOONESBURY







## Bomb Hits House Of Soweto Official

**JOHANNESBURG**—A bomb exploded Wednesday at the home of a white housing official whose car was hit by a car bomb on the same day.

The explosion, which killed one person and injured several others, was the latest in a series of attacks on white officials in the black township of Soweto.

The government Bureau for Information said an explosive device exploded before dawn at the home of Del Keren, director of housing for Soweto, who lives in Crispall Park, a nearby white-collar suburb of Johannesburg.

The Bureau said Mrs. Keren, 40, was not hurt. Her husband, who was not at home at the time, was not hurt.

Neighbors said Mrs. Keren had received anonymous threats of "bombing" a few days before the explosion.

They said the threats had come after efforts to quell an anti-government riot in Soweto. The riot, which broke out on Aug. 26, at least 21 people were killed.

The government department responsible for black townships said Tuesday that the riot broke out in Soweto, a township of 46 townships around the country, costing the government 40 million rand (\$15 million) a year.

At the Keren's home, 177 miners died in a mine accident last week, Wernie Mankela, the wife of the slain minister, said Tuesday.

At a memorial service she said the explosion was a warning to the government.



The home of Del Keren, known by opponents as "the Iron Lady of Soweto," after it was damaged on Wednesday.

President Ronald Reagan may propose up to \$200 million in new economic aid to the black nations of southern Africa in an effort to soften the impact of his proposed veto this week of the South Africa sanctions bill, administration and congressional sources said Tuesday.

The aid proposal, according to these sources, is one of several options the president is considering in trying to win support for his veto.

The aid package would include the funds for such a program, given the present budgetary constraints.

Just how the U.S. aid, if Congress approved it, would be dispersed is unclear. The United States recently ended its aid program to Zimbabwe to protest remarks made by a Zimbabwean minister about U.S. policy.

Administration sources said no decision had been made on whether to propose a new aid package to the black southern African nations.

One obvious problem, they said, is whether Congress would approve the funds for such a program, given the present budgetary constraints.

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## Vatican, in Latest Action On Orthodoxy, Rebukes Teacher in Netherlands

**VATICAN CITY**—The Vatican has issued a public rebuke of the Reverend Edward Schillebeeckx, a Belgian-born professor, the latest in a series of actions against prominent theologians.

A notification issued Tuesday by the Congregation for the Doctrine of the Faith said that some of Father Schillebeeckx's views on the priesthood were "in variance with the teaching" of the Roman Catholic Church.



Edward Schillebeeckx

The notification was issued with the approval of Pope John Paul II. A Vatican official who asked not to be named said the action did not include any punishment. The official said it was intended as a warning to the faithful that the Vatican had found some of the Father Schillebeeckx's writings erroneous.

The notification, signed by Cardinal Joseph Ratzinger, the head of the congregation, was published on the front page of the Vatican daily newspaper, L'Osservatore Romano, and broadcast by Vatican radio.

Last month, the Vatican prohibited the Reverend Charles E. Curran from teaching theology at Catholic University of America in Washington because of his liberal views on sexual morality.

The Congregation for the Doctrine of the Faith said it had issued the notification following an examination of one of Father Schillebeeckx's books, "A Case for People in the Church, Christian Identity and Offices in the Church."

The Vatican said it took issue with Father Schillebeeckx's views on the society ministry, specifically by his theory that it was possible for someone not ordained as a priest to celebrate the host and celebrate Mass.

In an earlier work, Father Schillebeeckx had suggested that communities without priests could select one of their number who could consecrate the Holy Eucharist without having been ordained.

Father Schillebeeckx teaches at the Catholic University of Nijmegen in the Netherlands.

**Vatican Is Questioned**  
Joseph Berger of The New York Times reported from New York: One of the most influential Roman Catholic bishops in the United States, Archbishop Ruffini G. Wasko, of Milwaukee, has strongly questioned the Vatican's

efforts to impose a stricter orthodoxy. Without mentioning names, the archbishop challenged the scope of the Vatican's campaign of orthodoxy in two columns he wrote this month in the archdiocesan newspaper.

It was the first time a leading American bishop had criticized the Vatican's actions against Archbishop Raymond G. Hunthausen of Seattle, Father Curran and others.

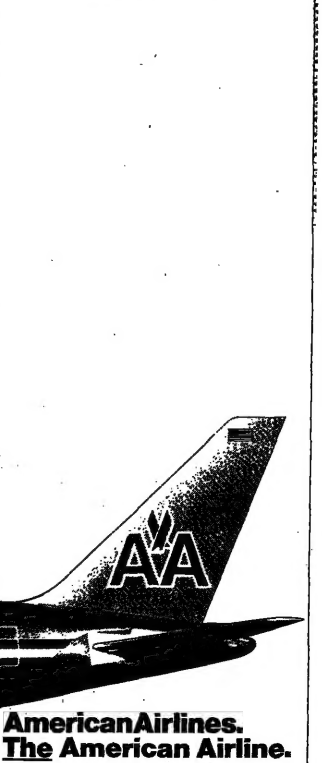
In the column in The Catholic Herald of Milwaukee, titled "The Price of Orthodoxy," Archbishop Wasko asserted that in the pursuit of purity of doctrine there was a need "to avoid the fanaticism and small-mindedness that has characterized so many periods of the church in its history—tendencies that lead to such cruelty, suppression of theological creativity and lack of growth."

Archbishop Hunthausen, who had been accused of tolerating liberal practices in the sacrament of marriage, the liturgy and other spheres, was ordered by the Vatican this month to relinquish much of his authority to an auxiliary bishop.

In interviews, at least two other bishops, Larry T. Mathiasen of Amarillo, Texas, and Thomas J. Gumbleton, an auxiliary bishop in Detroit, have criticized the Vatican's actions. But they do not have the stature of Archbishop Wasko, who is the chairman of the American bishops' committee that is drafting a pastoral letter on the economy.

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## Torture

multi-racial groups were to be released from the Liberation Front.

The captured leader, Luis Lora, said the group was a pro-union and anti-racist group.

She, her sister, sister-in-law and other relatives were released from the group in the last week of the guerrilla.

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## Racial Shur on U.S. Not Meant, Nakasone Explains

**TOKYO**—Prime Minister Yasuhiro Nakasone said Tuesday that the racial slur against the United States was not meant to offend.

Wednesday that Japan had received word from the United States that the Reagan administration understood that Mr. Nakasone meant to say.

Political analysts said that Mr. Nakasone had let his true feelings show, but that he was unlikely to suffer domestically for them because they were shared by many Japanese.

"He spoke too clearly, but he said what many people in his heart felt about this," said Masayuki Fukusaku, a political science professor at Keio University.

The Japanese press reported on Tuesday that Mr. Nakasone said on Monday at a annual Liberal Democratic Party meeting, "Since there are black people, Puerto Ricans and Mexicans in the United States, the level of knowledge on the wrong is far lower."

Speaking to Japanese reporters on Wednesday, Mr. Nakasone said that he had not meant to stir any racial group.

"What I was saying there was that the United States has made great achievements," he said. "But there are things that Americans have not been able to achieve because of multiple nationalities."

There are easier in Japan because we are a homogeneous society.

"I had no intention of committing any racial discrimination or of offending other countries."

Mr. Nakasone's remarks on Monday were carried on U.S. television and news services and caused an uproar in the U.S. Congress.

On Sept. 9, Mr. Nakasone reported Mayraki Fujio as education minister for statements that he made justifying Japan's behavior in World War II and defending its annexation of Korea in 1910.

There are easier in Japan because we are a homogeneous society.

"I had no intention of committing any racial discrimination or of offending other countries."



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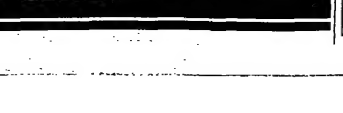
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## Saboteurs Cut Tokyo Rail Service

**By Susan China**  
*New York Times Staff Writer*

**TOKYO**—Saboteurs cut signal cables and communication lines of the Japan National Railways on Wednesday, disrupting train service during the morning rush hour and inconveniencing an estimated 1 million Tokyo commuters.

Police blamed the action on leftists, who have been demanding the government's plan to build the government-owned national railway into six separate privately owned companies.

According to police accounts, about 100 people apparently placed small explosive devices with timers at 24 different sites across Tokyo. The explosions, which went off between 6:30 A.M. and 7:30 A.M., caused first three severed signal and communication cables and disrupted service on 12 commuter lines. Service was suspended on six of these lines. Full service was restored on most lines by 11 A.M., although one commuter line remained out of service until mid-afternoon.

The attack meant long lines, delays and overcrowding for people trying to return to work after a one-day national holiday. Commuters packed onto buses, taxis and private commuter trains. The rail remained unaffected.

Police found traces of explosives and time bomb equipment at several of the sites, leading them to suspect a group called the Chukko-kai. This group used similar materials to fire incendiary rockets at Japan's state guest house during the summit meeting of industrialized nations in May.

The rockets flew over the site about 15 minutes before President Ronald Reagan was due to participate in an official welcoming ceremony on the state house grounds.

The Chukko-kai, along with other leftist groups, has opposed the government's plan to privatize the national railways, which has run up huge deficits. The plan would result in the loss of 100,000 jobs, one-third of the national railway's work force. Police said that the attacks might also be the work of railway workers who have split off from the main railway union.

The attack on the rail lines came on the same day the National Railway Workers Union was meeting to debate its position on the government plan. Union leaders, who had earlier pledged to carry out strikes to protest the plan, are reported to be considering a withdrawal—dropping their opposition in return for government pledges to help the 100,000 workers find other jobs.

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OPINION

# Stupidity Dominates the Daniloff Affair

By Anthony Lewis

**B**OSTON—When an incident aggravates relations between the United States and the Soviet Union, there is a tendency to see it in conspiratorial terms. The Russians are plotting again, intrinsically anti-Soviet elements are maneuvering the U.S. administration. But conspiracy is not usually responsible for episodes that heighten superpower tensions. Stupidity is.

The American officials who sent Gary Powers on one last U-2 spy plane mission before the planned Eisenhower-Khrushchev summit meeting in 1960 were fools, not conspirators. Blunder, miscommunication, folly: Those are the words historians use.

The Nicholas Daniloff affair is an outstanding example of the stupidity factor at work. The Reagan administration has displayed extraordinary ineptitude not once but again and again. Its handling has cost Mr. Daniloff dearly, and put the administration itself in an increasingly embarrassing position.

To say that is not to excuse what the Russians have done to Mr. Daniloff. It is to recognize—as I did not at first, in my column on Soviet behavior—that an American government of modest competence would have taken account of likely Soviet reactions. Then the Daniloff affair would never have started, or it would have been more promptly solved.

The story starts with the arrest of Alexander Daniloff in a Queens, New York, subway station on Aug. 23. Mr. Daniloff was a Soviet employee of the United Nations, evidently a KGB agent. For three years he had paid in a young

retail for his handling of the Zakharov case. Or perhaps one should wonder whether anyone was in charge at all. There is no sign that in this divided, muddled administration anyone concerned with Soviet-American relations at a high level thought about the consequences before Mr. Daniloff's arrest.

Once Mr. Daniloff was set up, experts saw one likely way out. That was to follow a 1978 precedent in Soviet-American arrangements. Mr. Daniloff would be unconditionally released, then later Mr. Zakharov exchanged for the release of some Soviet dissidents. But the Reagan administration differed, speaking in different tongues, letting the crisis build.

Voices of rightist ideology and ambition—such men as Henry Kissinger and Jack Kamp—began demanding any idea of a deal to be rejected. The administration had made it harder to dig its way out of the problem.

There is no irony in this tale. Ronald Reagan, the responsibility of office upon him, sees that there are reasons to do business with the Soviet Union. There are some reasons of mutual interest. One is arms control, and it looks as if the superpowers are close enough to agreement on some arms issues to make a productive summit meeting possible.

Before he entered the White House, though, Reagan wanted to make a mark for American presidents to do any business with the Soviet Union. He and his people, in the rightist backlash fostered by their ineptitude, are getting a taste of their own medicine.

The New York Times.



'Frankly, I think he's had a bum rap.'

## This Novel Idea Could Save \$20 at Your Local Bookstore

By Joe Murray

**L**UFKIN, Texas—A Houston housewife named Karen Koon has written a novel called "Through a Glass Darkly," in return for which Random House has written her a check for \$350,000. Naturally, I'm delighted for her. (Sign wise, winners.)

The little I know about the book was that it's a historical romance set in Europe during the 1700s. But then I happened to read a review and all of a sudden I knew everything about it.

In fact, I had to read but one sentence: "The plot centers on a young

woman who marries an older man, only to find out that he isn't what she thought him to be."

"Through a Glass Darkly" is my kind of thing. That's the plot to my novel—I'm uneducated, untalented, unwritten novel. I've had it in the works for years. Actually, I've had it in the drawer for years, but no one would have gotten around to it eventually.

The main difference is that the setting for my book was in the 1800s. Even so, it well could have ended up as a historical novel, especially by the time I finished it. To say the least, progress has been non-progressing here of late.

What I had is three pages of notes—from a pocket notebook at that—which

### MEANWHILE

were intended to serve as an outline. Indeed, I still have them, kept safe these several years in the back side of the bottom drawer in the bathroom cabinet. (Some of us not only read in the bathroom but write as well.)

Far be it from me to try to tell you that my version of my book is better than her version of my book. Only you can decide that. "Through a Glass Darkly" is available at bookstores for about \$20. The following you can read for free. The choice is yours.

Young girl, lovely and in love, marries older man, handsome and rich. Moves to his plantation in jungle or Outback or remote island.

Everything blissful. Then she begins to realize she doesn't really know the man she's married. Handsome stranger enters picture. Husband's best friend. Continued disillusionment with husband, she has the opportunity to end in her eyes.

When an ongoing mystery—the stage problem—she's not allowed to enter. When she tries, old family retainer prevents her. Husband sides with the OTR against her.

Minor crisis occurs. (Fire, epidemic, typhoon, whatever.) Husband disappears but in a way she cannot forgive. She leaves husband, flies to arms of H.S. But before they can go off together, major crisis occurs. (A big fire, big epidemic, big typhoon, whatever.)

This time it's husband's opportunity to shine. H.S. doesn't look so good after all. When H.S. criticizes husband, she proceeds to defend him.

At this point, she becomes confused and undecided about her true emotions toward the two men.

After major crisis is resolved, husband still expecting her to leave him. BUT... Before that can happen, major crisis occurs. (Really big fire, really big epidemic, really big typhoon, whatever.) Husband saves her life. H.S. somewhere else at time is not there when she needs him.

Major crisis also resolves marriage problem—she's not allowed to leave. Husband is really big, really big epidemic, really big typhoon, whatever. H.S. knows he has been defeated. She knows the lowest only her husband.

As for the husband, he doesn't quite know what to make of all this, but his wife is still there and nothing else really matters to him.

They live happily ever after and so do I, what with \$350,000 suddenly appearing in my checking account.

The plot came to me as if in a dream, or maybe on the late show. I forgot why. But what he said, if you like the story, I make you a gift of it.

Feel free to use any or all of it in your book. You might just as well.

Everybody else has made use of it for their books.

Cox News Service.

### LETTERS TO THE EDITOR

#### Israel Does Not Unconditionally Support UNIFIL

Jonathan Power's opinion column, "America Must Help Make UNIFIL Work" (Sept. 17) contains several half-truths that warrant correction.

His conclusion that a conflict between the extremist Moslems (apparently referring to the Shiites of Hezbollah) and Israel would make the PLO-Israeli peace talks of 1982 "look like a Boy Scout's cookie" is absurd. The militant Moslems are no match for either the Arab Shiites or even the South Lebanon Army, with its minimal support by Israel.

His statement that Israel wants the United Nations Interim Force in Lebanon to stay is a generalization, since Israel would welcome a UNIFIL that performed its mission of keeping terrorists out of Israel or from launching rockets at the northern Israeli communities, but Israel still questions the political mission of UNIFIL.

The Reagan administration indeed has refused to "lean on" Israel, and, obviously so, but it also has not leaned on the various Arab states to end the continuing civil war in Lebanon.

It was not a "serious mistake" to send the multinational force to stabilize Beirut simply because of the deaths of 300 U.S. and French troops.

Finally, the United States did not

#### Israel Does Not Unconditionally Support UNIFIL

"create this intransigence." It negotiated the Israeli-Lebanese truce, which would have caused the virtually simultaneous withdrawal of Syrian, Israeli, and all foreign forces from Lebanon, then backed away because the Moslems inside and outside Lebanon put too much pressure on the United States.

While UNIFIL plays a certain role in Lebanon, it is not central to the much-desired peace there. Not until Syria is forced to renounce its ongoing dream of Lebanon as part of a Greater Syria will a real truce come to Lebanon.

GERALD SCHWARTZ, Vice President, American Zionist Federation, Miami Beach, Florida.

#### Demand Cultivates Drugs

I challenge James Mill's assertion that eradication is an effective or cost-efficient approach to reduce drug use ("Eradication Is Way to Fight Drugs," Sept. 3). If crop substitution were an economic alternative for farmers, the drug trade would have died long ago.

People must realize that the problem is not Turkey, Bolivia, Peru or Mexico. The problem is in the United States. Perhaps it is an educational problem, deficiencies in family, or some other

#### Who Needs Machine Gun?

In the early 1950s, Neil Coward wrote and recorded a highly prophetic song, called "Who's Gonna Happen to the Future?" It was a satirical account of the future of the world, based on today's headlines or worry or sleepless night by reaching into the medicine chest for a pill, and he sang an amazing list of drugs on the market.

His moral: Escapist parents were setting a bad example. Now it is two generations of parents. If the U.S. government's war on drugs is serious about causes, it should buy television time for the Coward song and use it to educate the youth on the dangers of drug use.

Had our nation been a real one, several soldiers would now be lying where they once stood.

The above is a first-hand memory from a sanctioned training session with a weapon that has only one reason d'être—killing people. When you fire a light machine gun, you are aiming at mankind's targets. There is no animal or bird game here. You are aiming at the U.S. citizen who is the "grease gun." A citizen who lives even in the most dangerous of neighborhoods has no need to

#### Who Needs Machine Gun?

about the gigantic budget and trade deficits that are snowballing at a frightening pace, the farm crisis, "star wars," and so forth. Americans, from the president to the Congress to Citibank and finally to John Q. Public, seem to be trying to ignore these looming crises, hoping that somehow everything will turn out all right.

ALFRED L. SYCIP.

#### Who Needs Machine Gun?

In response to "U.S. Lobby Seeks Repeal of Ban on Machine Gun" (Aug. 29): "Remember: one, two, three—case fire!" Cold metal and plastic come alive, spewing a stream of hot steel and orange flame. You smell the grease and powder; taste the dust raised when you fire.

Had our nation been a real one, several soldiers would now be lying where they once stood.

The above is a first-hand memory from a sanctioned training session with a weapon that has only one reason d'être—killing people. When you fire a light machine gun, you are aiming at mankind's targets. There is no animal or bird game here. You are aiming at the U.S. citizen who is the "grease gun." A citizen who lives even in the most dangerous of neighborhoods has no need to

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You will be notified immediately when you win a prize of \$1,000.00 or more. Also, a complete list of all winning numbers will be sent to you after every third draw so that you can check along the way to see how you're doing. At the expiration of your subscription you will be sent a final statement of your winnings. All prizes must be converted to any currency you wish and confidentially forwarded to you anywhere in the world. So mail your order today—the next big winner could be you.

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3RD PRIZE (4 OF 6 NUMBERS)	718	\$2,704.70
4TH PRIZE (3 OF 6 NUMBERS)	48,917	\$139.30
5TH PRIZE (2 OF 6 NUMBERS)	865,112	\$10.00
TOTAL PRIZES	1,744,758	\$157,443,238.10

\*All prizes awarded in Canadian dollars.  
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# SCIENCE

## The Vanishing of Species

By Erik Eckholm

**LEADING** biologists, fearful that a significant share of living species will disappear before they are even discovered, are escalating efforts to save tropical rain forests and other imperiled ecosystems.

With recent indications that fewer than one-tenth of the Earth's species of plants and animals have been identified, much less studied, biologists are also calling for a crash effort to find and study millions of species before they are wiped out.

In recent decades, these scientists say, dramatic progress in molecular biology has stolen status and resources from the task of describing and comparing forms of life. Too few scientists are trained in taxonomy, the systematic ordering of species.

The scientists say that time is short because as tropical forests — the most diverse ecosystems on Earth — are cleared, thousands of species are possibly being lost each year. "It's astonishing that something as basic and important as the amount of diversity of life on Earth is largely unexplored," said Dr. Edward O. Wilson of Harvard University. "We don't even know the number of species to the nearest order of magnitude." Dr. Wilson said plausible estimates ranged from 5 million to 30 million. Only

about 1.6 million species have been described.

"In the past, many biologists thought it was almost unscientific to get too involved in conservation politics," said Dr. Thomas E. Lovejoy, vice president of the World Wildlife Fund in Washington. "But no more. The rate of loss is suddenly dawning on people." Experts say that within a few decades the destruction of the rain forests will be almost total in some regions, such as Central America and West Africa, and that it is spreading inexorably in the Amazon, Southeast Asia and elsewhere.

In their efforts to curb forest damage and to promote establishment of nature reserves, biologists have found themselves in unfamiliar territory. They have begun, for example, to join forces with environmental activists to scrutinize the policies of aid agencies such as the World Bank and the U.S. Agency for International Development, whose loans for agriculture or forestry in developing countries can influence how land is developed.

To build support for their research, the scientists have begun highlighting the potential benefits for humanity, such as foods, drugs and other products whose development may be impossible if unexplored species disappear.

Compared to the battles for endangered eagles or whales, the

struggle to preserve biological diversity faces a more difficult public relations problem. Most of the undocumented endangered species are insects, and many of the rest are other invertebrates or plants. The plight of beetles and weeds does not engender the same public sympathies that a forlorn panda does.

Yet the small, obscure creatures, scientists observe, are the foundation of intricate webs that support all life. An insect may be vital for pollinating or defending an important species of tree, while a plant that disappears can take with it many interdependent species such as insects and higher animals.

Each species, whether charming to most humans or not, is a unique repository of genetic and ecological information.

About half the 1.6 million described species are insects, with beetles the biggest subgroup. Biologists have long assumed that hundreds of thousands, if not millions, more insects await discovery, largely because every time they study a new patch of rain forest they find many new species. New exploration of what some describe as the major uncharted biological frontier, the canopy level of rain forests, provides evidence that the number of insect species is much higher than previously imagined.

Dr. Terry Erwin of the Smithsonian Institution has developed a technique for fogging forest trees with insecticides, allowing systematic collection of all the insects that drop.

From 19 specimens of a single species of tree in Panama, for example, Dr. Erwin collected more

than 1,200 different species of beetles. Illustrating the diverse forms that beetles take, he estimated that 682 of these were herbivores, consumers of various parts of the host tree; 296 were predators of one or more of the herbivores; 69 ate fungi that grew on the tree; and 96 were scavengers. About 14 percent of the species were dependent on this tree species and no other, he said.

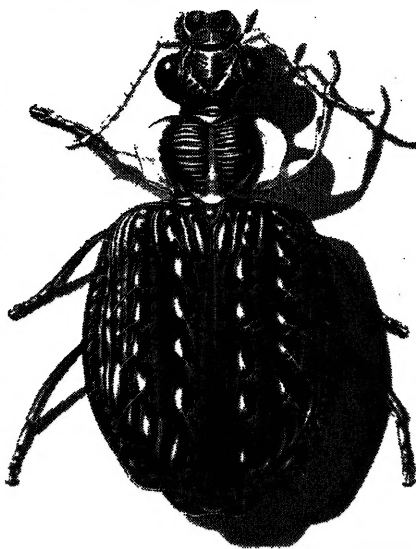
Plants are much better cataloged, though the task is far from completed. The 222,000 known species of flowering plants probably account for 90 percent of the total in that category, according to Dr. Ghillean T. France, director of the Institute for Economic Botany at the New York Botanical Garden. The proportion is lower for other plants, such as ferns, and much lower for fungi, he said.

With plants, as with animals, the major discoveries are expected to be in the tropics, especially in Central and South America. Dr. France said that about one in a hundred plants collected during recent expeditions in the Amazon basin were new to science and that, based on interviews with native tribal people, many could be useful to humans.

Is it worth the effort to locate and describe millions more species? The scientists answer with a resounding yes.

"We're talking about the fundamental data base for the biological sciences," said Dr. Lovejoy, an expert in tropical ecology. "How can we possibly manage the Earth properly if we haven't got a grip on the diversity of life?"

Biologists reject vehemently the notion that natural species will be less important in the emerging era of genetic engineering. "Natural species are the library from which genetic engineers can work," Dr. Lovejoy said. "Genetic engineers don't make new genes; they rearrange existing genes."



A new beetle, one of many recent discoveries.



Tropical forests harbor millions of undescribed species.

## IN BRIEF

### Icebergs Linked to El Niño

**NEW YORK (NYT)** — While daily forecasting of iceberg conditions has been of concern to ships ever since the Titanic hit one and sank off Newfoundland in 1912, the offshore-oil industry is seeking seasonal forecasts for planning activities on the Grand Banks.

A study undertaken on its behalf has made the surprising discovery that weather in the tropical Pacific appears to be a factor. Heavy iceberg intrusions into the oil-drilling area, it turns out, is typically preceded by an occurrence of El Niño, known also as a Southern Oscillation. At such times warm water overrides the cold, nutrient-rich current along the Pacific coast of South America, causing torrential rain on land and extensive fish kills at sea. Since 1950 there have been three cycles of high iceberg counts — 1957-1959, 1972-1974, and 1983-1985. Each was preceded by an El Niño. A better predictor, according to a report on the study, published by Arctic Sciences Ltd. of Sydney, British Columbia, appears to be the sea ice in Davis Strait, between Greenland and Baffin Land, in January. The extent to which that strait is blocked by floes is critical because most icebergs pass through it.

### Test to Spot Disease-Prone

**BOSTON (UPI)** — Researchers have developed a relatively simple test that apparently can identify children who will be prone to heart disease as adults by measuring the levels of two proteins in their blood.

A study published in the New England Journal of Medicine found that children whose parents had suffered heart attacks tended to have abnormal levels of two proteins, which are associated with the regulation of cholesterol that clogs arteries.

Scientists analyzed the blood of 2,416 children aged 5 to 17. On the average, children whose mother or father had suffered a heart attack showed 2 percent higher levels of a protein known as apolipoprotein B and 3 percent lower levels of a protein called apolipoprotein A-I. Apolipoprotein B is associated with a "bad" form of cholesterol known as low-density lipoprotein (LDL), which tends to accumulate in arteries and sets the stage for heart attacks. Apolipoprotein A-I is associated with a "good" form of cholesterol known as high-density lipoprotein (HDL), which helps rid the body of LDL.

### Speeding Up Immunization

**ATLANTA (AP)** — Federal health officials hope to get more children immunized and save parents money by recommending that some common childhood vaccines be administered simultaneously instead of three months apart.

Under previous federal guidelines, a child receives a shot for measles, mumps and rubella at age 15 months, then returns at 18 months for a fourth diphenyltetrahydrozine-pertussis vaccination and a third oral dose of polio vaccine. The immunization committee at the National Center for Disease Control recommended giving the vaccinations during the same visit to the doctor. Timelines for other doses of DTP and polio vaccines, which begin at 2 months, would not be changed.

### Eye Movement and Dyslexia

**SOUTH WALES, New York (AP)** — An eye-movement test might diagnose preschool children with dyslexia, a reading disability that afflicts nearly 20 million Americans, a researcher says, but two other experts say more work is needed.

Dr. George Pavlidis, professor of psychiatry and pediatrics at Rutgers University Medical School, presented his findings at a symposium on dyslexia held here at The Gow School, the United States' oldest college preparatory school for dyslexic boys and the source of many of his subjects.

Dr. Pavlidis said he found that a significant percentage of the dyslexics he tested had erratic eye movements while reading. Finding similar patterns in preschool children could lead to an early diagnosis of the condition, he said.

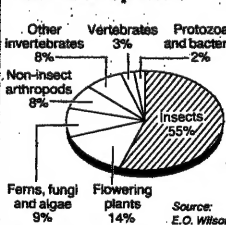
Dr. Drake D. Danson, associate professor of neurology at Mayo Medical School, in Rochester, Minnesota, said the technique has potential, but is not a definitive diagnosis. Dr. James Kavanagh, a researcher with the National Institute of Child Health and Human Development, said he knows and respects Dr. Pavlidis' work, but believes further questions need to be asked about the test.

### Is Sun Made of Gas Layers?

**LOS ANGELES (UPI)** — The sun may consist of colorful layers of gas that spin at their own rates, and even small deviations in the amount of energy in the layers could mean the difference between Earth's being a frozen or blazing planet, scientists say.

"Activity within the sun's various layers may well be a key factor in the Earth's climate," Dr. Edward Rhodes, a University of Southern California astronomer, said. "Though we take the sun's energy output for granted, a change in that output of just a fraction of 1 percent could make the difference between our freezing or frying."

### A Preponderance of Insects: Currently Described Species



This is the distribution of the 1.6 million described species but there are 5 million to 30 million that have not been discovered.

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هكذا من الأجر

**HISTORY**

**No Glimpse**

**An Imperial City**

**With Iron is Annexed**

**Madison of France**

**Center for Silk**

**City Besieged**

**Girdi L'Yonnai**

**to Doors**

**CLAYTON**

**stephane kelian**

**SOCIETE LY**



# Lyon: A City of Taste

## HISTORY

### At a Glance

#### 43 B.C.: An Imperial City

First settled by Celt fishermen and boatmen who name the site Lugdunum, Lyon becomes a military colony in 43 B.C. under Lucius Munatius Plancus. The Roman emperor Augustus later makes Lyon the capital of Gaul and under successive reigns, the imperial city, situated at the confluence of the Rhone and Saone rivers, becomes the most cosmopolitan trading center of the Gaul country.

#### 1312: Lyon is Annexed To Kingdom of France

After Charlemagne's reign, the city comes under the domination of archbishops and the church lords of Lyon. Rising mercantile classes and ecclesiastical forces come into conflict. The city, situated in the troubled border zone between the Holy Roman Empire and the emergent kingdom of France, is annexed to France in 1312.

#### 1536: A Center for Silk

In 1536, Lyon becomes a center of silk manufacturing. The activity, encouraged by King François I, enriches the country by reducing purchases of Italian silks. The arts flourish. Lyon is one of the most active printing centers in Europe.

#### 1793: A City Besieged

The Revolution brings turbulence. Domestic markets collapse, foreign ones close and the silk industry slumps. With the Reign of Terror, rising royalist and moderate factions oppose the Convention. In 1793, the city is besieged by the Montagnards Republicans forces.

#### 1863: Crédit Lyonnais

##### Opens Its Doors

Lyon returns to prosperity during the First Empire through the manufacturing of silk. Crédit Lyonnais is founded in 1863 by the financier Henri Geyraud. It develops into one of the world's largest banks by the end of the century.

## Economic 'Nouvelle Cuisine'



Visions of sweetness at Bernachon, Lyon's premier chocolate maker, on the Cours Franklin Roosevelt.

## Mastering the Fine Art of Chocolate

By Patricia Wells

**L**YON — In 1933, following the counsel of his parish priest, Maurice Bernachon apprenticed himself to a master chocolate maker named Debeneger in the Alpine village of Font de Beauvoisin. He was then 14, and when his mother journeyed with him from their home just a few kilometers away, she could not afford to buy even a

tiny package, a mere sampling, of Debeneger's famed chocolates.

That was not so long ago, but at that time in France chocolate was reserved for the wealthy. Those of modest means might, if they were lucky, become acquainted with a chocolate truffle on a birthday, an anniversary or at Christmas.

Today, of course, anyone with a few spare francs in his pocket can afford a rich sampling of the best and

purest chocolate in the world, created by Maurice Bernachon and his son, Jean-Jacques.

Bernachon chocolates are so rich that they must be savored, morsel by morsel, much like a fine Bordeaux that calls for pensive sipping, not guzzling.

A visit to the pristine, chocolate-colored shop along Lyon's fashionable Cours Franklin Roosevelt is a sensory experience. The chocolates are displayed like

Continued on page 11

## A Metropolis In the Making

By Brigit Phillips

**L**YON — Four centuries ago, Lyon was a world capital of commerce at the hub of the silk trade. By the 21st century, city leaders envisage a marketplace of modern technology that will once again make Lyon an international crossroads for Europe and beyond.

There is already an array of high-technology industries in France's second biggest city and Lyon is gradually building an infrastructure to lure more.

Yet only 15 years ago, Lyon seemed ready to subside into a sleepy and closed provincial city, wary of outsiders and slipping further from the economic mainstream with each local industry that closed down or moved away. In the 1950s, for example, the city decided against building an international airport.

Since the mid-1970s, many head offices and ministries of the Lyonnais economy such as parts of Rhône-Poulenc moved away and the region lost more than a million jobs in heavy industry and farming. Lyon's main claim to international renown was as a city of fine food, described once by a West German president as "a city near Boucotte," referring to the chef, Paul Bocuse.

"Lyon was a city that had faded away," said Jean Carrière, chairman of the Société Lyonnaise de Banque, the main regional bank. "It was a city with a great past awaiting a renaissance. Happily, now it is regaining strength and Lyon is on the verge of a large expansion, a renaissance."

The rebirth of Lyon has been a combination of brainpower and, more recently, some careful planning. The city was "on the point of perishing" until the early 1970s, when local administrations grouped in a joint salvage effort, said Jean Chausson, director of Aderly, the Association for Development of the Lyon Region. Aderly groups chambers of commerce and industry to promote development.

Lyon is now linked to the major cities of Europe by the high-speed TGV (train à grande vitesse), an expanding network of motorways and, since 1974, by an international airport. It has an industrial base and a potential regional market of five million. Those are the kind of requirements executives look for when they are considering a new business location.

A 1984 survey showed that 29 percent of business leaders based in Paris considered Lyon their top choice to relocate in the French provinces. They listed Lyon's geographic location, its large population and international communication as its greatest assets.

The multinational computer firm Hewlett-Packard has already decided to build a manufacturing center in the Lyon area. In a recent report explaining the decision, it said Lyon was at the "epicenter of the European market of tomorrow, has a range of industry in the immediate area, a remarkable research potential" as well as an "attractive

Continued on page 10

**These companies are quoted on the Secondary Market in Lyon**

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CLARBOIS	PRECIA
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stephane kelian	BOURGEOIS Optique
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A Cultural Crossroads

# Dance Festival Highlights Rich Artistic Life

By David Stevens

LYON — In recent years this city has become one of the major stops on the international dance circuit, an evidence of which is the second Biennale de la Danse, now at the midpoint of its schedule. But that is only one sign of the burgeoning musical, theatrical and choreographic life.

This city is also the home of one of France's more illustrious and ballet companies, of the country's leading state-subsidized theaters, of a symphony orchestra of growing importance, and of what may be the only theater anywhere devoted entirely to dance. It is the knowledge of Origo, the puppet house to virtually every French child and the principal character of one of the most enduring examples of puppet theater.

It would be perfectly accurate to say that Lyon's musical-theatrical history dates from Roman times, as was discovered in the 1930s when archaeological dig on the slope of the Fourvière hill above the Saône River uncovered two characteristic Roman theaters.

The large theater, the oldest in France and about the same size as the better known theater preserved in Orange and Arles, once held as many as 10,000 spectators. The smaller theater, similar in its subterranean layout but seating only 3,000, is nearby. Models of the two theaters as they were in ancient times can be found in the nearby Musée Gallo-Romain, a recently completed museum with a comprehensive presentation of the history of Lugdunum from prehistoric through Roman times.

But it is the more recent history of Lyon's cultural activity is largely a creation of the last couple of decades, partly a function of the city's spectacular development beginning in the middle of this century, partly of the decentralization policies of successive French governments. Some of it also has to do with Lyon's character as a European crossroads city, and as an industrial center its theaters, scattered around the metropolitan area rather than concentrated in one part of town, cater to a variety of audiences.

A useful point at which to date the beginning of Lyon's artistic expansion is 1969, when Louis Barrault, the famous French director, producer and actor, opened his own company, the Compagnie Barrault, in Lyon. He had just put together a solid artistic team and embarked on an ambitious project that included an adventurous repertoire, simple robust lines and the scheduling of each work down on eight times. To get the audience back he went out to factories and schools and sold the Lyonais on it — no easy task.

Mr. Barrault, who is now also artistic director of the Aix-les-Bains Festival, is still the Opéra's co-director, with Jean-François Bastien. The company's director is the British conductor John Elliot Gardiner. The company's reputation has begun to spread — the delightful Lyon production of Chabrier's "Le Balade" went to the Edinburgh Festival and was awarded, last year, a staging of Weber's "Oberon" in the original English text, wide attention.

This season begins Oct. 19 with another troupe, "The Excursions of Mr. Bronck" by the Czech composer Leoš Janáček. In the spring, the dramatic, 19th-century opera house will be closed for an overdue renovation, but performance will continue on other stages, including Belin's "Norma" in June in the Roman theater.



Compagnie Barrault, performing in Lyon's dance biennale.

troupe, and two years ago Mr. Darost expanded the idea by kicking off the season with an autumn festival, the Biennale de la Danse. (In alternate years, this spot on the calendar is filled by the Biennale Festival.)

This year's Biennale de la Danse is built around the theme of German Expressionist dance and the herings of Mary Wigman, the German modern dance pioneer and choreographer, with performances in several theaters around the city.

Among the companies already seen in the program are those of Susan Baring, the Irish Linon Dance Company, the Compagnie Dominique Bagouet, and Karin Waldner. Still to come are the Essen Ballet with a Kurt Jooss program (Sept. 25-26, Théâtre des Célestins), the Cullberg Ballet of Sweden with "Roméo and Juliet" and "The House of Bernarda" (Sept. 27-29, Théâtre du Mail), the Groupe Émile Dubois with "Mousseline" (Sept. 29-30, Auditorium Marmontel), and the Alvin Nikolais Dance Theater (Oct. 1-4, Théâtre du Mail).

The Nikolais company does the festival, but the expressionist theme is continued at the Maison de la Danse Oct. 16 to 18 with three performances of a reconstruction of Oscar Schlemmer's "Triadic Ballet," a much written-of,

rarely seen dance offshoot of the Bauhaus experiments.

Concert life in Lyon, and the Rhône-Alpes region, is dominated by the Orchestre National de Lyon under its music director, Serge Baudo. Its scope has been greatly expanded in recent years by being relieved of its duties in the Opéra's pit (the Opéra now has its own orchestra) to concentrate on concert work, and the construction of the Auditorium Marmontel as part of the new urban complex in the Part-Dieu district on the left bank of the Rhône. The Auditorium is principally a concert hall, but it can accommodate open-stage theater productions, as it will next May when the Orchestre National and the Opéra join forces for a series of performances of Wagner's "Lohengrin."

In the realm of spoken theater, Lyon is chiefly distinguished as the home of the Théâtre National Populaire, in the working-class suburb of Villeurbanne. After the Comédie Française, the TNP is the most important French national theater, although it comes from a newer and different tradition.

The actor, stage director and author Roger Planchon took over the municipal Théâtre de la Cité in Villeurbanne in 1987 and pursued a policy whose guiding lights were Bertolt Brecht and Jean Vilar, who founded the TNP in Paris with the goal of bringing good theater to the suburbs. After Mr. Vilar's departure, French cultural authorities transferred the TNP banner and prestige to Villeurbanne and Mr. Planchon, whose inventive stagings have been among the landmarks of postwar French theater.

At the other pole is the Théâtre des Célestins, near the Saône in the central part of the city. The handsome 19th-century building is the home of an eclectic and traditional repertoire. The Théâtre du Huitième (so-called because it is in the city's Eighth Arrondissement) is being taken over this season by Jérôme Savary, whose Grand Magie Circus and other exuberant stagings have made him one of the best known figures in European theater. His production last year of the musical "Cabaret" was a hit here and is making the rounds of other French theaters this season.

Perhaps the most Lyonais of all the city's theaters is the Nouveau Théâtre de Lyon. He got official recognition 25 years ago when he was awarded his first star in the Michelin guide rating system. The three-star rating came four years later.

But Mr. Bocuse's reputation was built more on his role in starting a new style of cooking than the restaurant guide Galet et Millan called nouvelle cuisine. Mr. Bocuse once described nouvelle cuisine's use of lighter sauces and underdone vegetables as "the women who don't wear bras and girdles. You know what? Underneath. Cooking, too, should no longer be a mystery."

Mr. Bocuse later disavowed the nouvelle cuisine revolution because of the haute cuisine it produced. But his own reputation has lived on. He has made regular pilgrimages to the United States to promote his line of wines.

Although Mr. Bocuse leaves much of the cooking to his team of about 20 chefs and aides, he still can be seen at 6 A.M. tearing through Lyon's main market on the quais of the Saône, buying for his restaurant.

DAVID STEVENS, an editor at the International Herald Tribune, writes frequently about dance and theater.

## CLOSE-UPS



## 2 Favorite Sons

Paul Bocuse

PAUL Bocuse has been such an avid ambassador for Lyon that many foreigners know the city only as a gourmet paradise and home of the restaurant Paul Bocuse.

Foreign Trade Minister Michel Noir calls Mr. Bocuse "the surrogate trade minister." One Lyon official says his name is the city's most successful export. Mr. Bocuse himself says simply that he was born here, and he wants to do his bit to help improve the image of Lyon, a city that he says is still "not well known."

Mr. Bocuse has built his renowned restaurant into an international cooking industry. He set out at age 16 to apprentice with France's best chefs and returned to eventually take over the family restaurant at Collonges-au-Mont-d'Or, seven miles (12 kilometers) up the Saône River from Lyon. He got official recognition 25 years ago when he was awarded his first star in the Michelin guide rating system. The three-star rating came four years later.

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Raymond Barre

RAYMOND Barre is a politician as closely associated with Lyon as silk and fine cuisine. Since he was first elected a deputy to the French National Assembly in 1978, Lyon has been his base. Mr. Barre was prime minister in the last five years of Valéry Giscard d'Estaing's presidency, and if he has his way, he will be president.

Mr. Barre is the only French politician to have announced his candidacy for president in the 1988 election.

In parliamentary elections in March, Mr. Barre made a disappointing showing in the heated contest in his Lyon district. Since the vote, Mr. Barre has followed a policy of strict silence that has cost him popularity nationally, according to recent opinion polls.

His plan is apparently to stay out of the fray as conservative Prime Minister Jacques Chirac conducts his fragile experiment of governing under a Socialist president. Mr. Barre has always maintained that such a relationship could not work, and he seems to be waiting in the wings until he is proved right.

Locally, Mr. Barre is as much an enigma as he has become for the rest of the country. He is not a native son — he was born 62 years ago on the French Indian Ocean island of Réunion. But since he decided to run for office from Lyon, the city has become what the French press calls his fiefdom.

Although they take pride in the reflected glory of such a prominent politician, many Lyonais believe Mr. Barre was rather than serves Lyon. He is credited, though, with helping to arrange the transfer of the new Île Centrale Supérieure from Paris to Lyon and working to stimulate the phenomenal growth of the Lyon Bourne.

— Bridget Phillips

## Bernachon, Master Chocolate Maker

Continued from page 9

race jewelry, with the care and flair that the French intuitively bestow upon all they value and respect. And the aroma is a heavy, mingling of bitter chocolate, sweet butter, caramelized sugar, vanilla and roasted almonds.

But what distinguishes Bernachon chocolates from the hundreds of others around the world? Quite simply, it is Bernachon's dedication to perfection, a dedication that others have lost or perhaps never knew. The Bernachons, who run one of the world's few remaining made-from-scratch chocolate shops, insist upon quality ingredients. They compare the art of chocolate making to wine making.

"But instead of grapes, you've got beans, and everything hinges on the quality of those beans: the soil on which they are grown, their care, their blending," explained Jean Bernachon.

While the majority of chocolate makers are content to buy factory-produced cocoa or couverture, the basic "dough" of the chocolate art, the Bernachons continue to oversee the process from start to finish, using the finest and freshest ingredients in their classic truffles filled with crème fraîche and the 40-odd varieties of handmade Bernachon chocolates, candies, cakes and pastries.

They begin with top-quality beans from Venezuela, Ecuador, Trinidad and Madagascar — cocoa beans that account for a small percentage of the world's production but are prized for their richness, their distinctive nutty flavor. The Bernachons use slender, pungent vanilla beans from the Indian Ocean island of Réunion, arranged for cocoa butter from the Netherlands, secure pistachios

from Sicily, walnuts from the French Dauphiné region, hazelnuts from the Piedmont in Italy, and both sweet and bitter almonds from Provence and Spain.

The butter is the superior, sweet, French beurre Charentais; the cream is pure Lyons. Before the chocolate reaches the newly renovated Bernachon boutique they will pass through the hands of perhaps a dozen employees.

Everything begins with the beans. By the time they reach Lyon, they have already fermented in the open air in their country of origin and then of their natural aging and bitterness. Just a bit larger than a coffee bean, they are still a pale, light tan, a bit moist and just barely fragrant.

The young Mr. Bernachon slowly empties a burlap sack full of Venezuelan cocoa beans into a shiny red roasting machine.

He roasts the beans, still in their thin shells, for 20 to 30 minutes, checking them every two or three minutes. Roasting time varies from day to day, depending on the moisture of the roasting, the moisture of the beans and the final flavor one is seeking.

The shells are sifted away and discarded, and now it's time to blend. The assertive Venezuelan beans are blended with more delicate, subtler beans from Trinidad and Madagascar, then with sugar, vanilla and a supplementary dose of toasty cocoa butter, added to improve the texture and gloss of the final product. Together, the ingredients are passed slowly through a grinder.

The chocolate emerges in paste-like form, thick and shiny. At last, we have a blend that tastes of chocolate. It must now be smoothed out, undergoing a

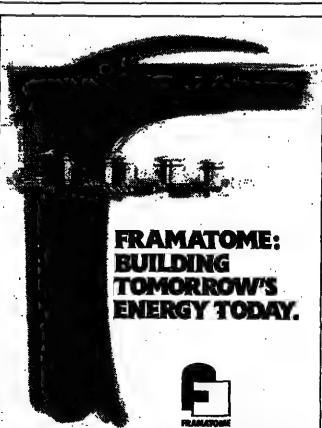
process known as conching: For three days, the mixture is worked to the melting point, then rolled back and forth 10 to 12 hours a day under the constant supervision of the Bernachon staff.

Later, the thick and shiny brown liquid is poured into large stainless steel vats to cool overnight and, finally, work can begin on the variety of chocolate preparations. Coated chocolate is formed into blocks, to be wrapped, stored

and taken from aging rooms as needed, to prepare the chocolates, the cakes and pastries sold in the retail shop.

Bernachon, 42 Cours Franklin Roosevelt, 69006 Lyon, France; telephone 78.24.37.98.

PATRICIA HELLIS is the International Herald Tribune's restaurant critic and the author of "The Food Lover's Guide to Paris" (Warner).



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# LE POUVOIR DE DIRE OUI

## THE POWER TO MAKE IT HAPPEN

### EL PODER DE DECIR SÍ

#### ВОЗМОЖНОСТЬ СКАЗАТЬ: ДА.

##### 信頼に込めるあなたのパートナー

###### IL POTERE DI DIRE SÌ

###### DIE KRAFT, DIE DYNAMIK SCHAFFT

###### القدرة على الموافقة

## CREDIT LYONNAIS

THE BANK WITH THE POWER TO MAKE IT HAPPEN IN SEVENTY COUNTRIES

<b>NYSE Most Actives</b> Vol. High Low Last Chg. IBM 1,234,567 123.45 123.20 123.30 -0.15 Microsoft 987,654 56.78 56.50 56.60 -0.20 Apple 876,543 45.67 45.40 45.50 -0.10 Oracle 765,432 34.56 34.30 34.40 -0.10 Cisco 654,321 23.45 23.20 23.30 -0.10 Sun 543,210 12.34 12.10 12.20 -0.10 Texas Instruments 432,109 8.76 8.60 8.70 -0.10 Motorola 321,098 7.65 7.50 7.60 -0.10 Intel 210,987 6.54 6.40 6.50 -0.10 Hewlett-Packard 109,876 5.43 5.30 5.40 -0.10	<b>Market Sales</b> NYSE 1,234,567,890 NASDAQ 987,654,321 AMEX 876,543,210 Total 3,098,765,432	<b>NYSE Index</b> Dow Jones Industrial Average 10,123.45 Change: +12.34 Previous Close: 10,111.11	<b>Wednesday's NYSE Closing</b> Via The Associated Press	<b>AMEX Diary</b> Class Prev. IBM 123.45 123.30 Microsoft 56.78 56.60 Apple 45.67 45.50 Oracle 34.56 34.40 Cisco 23.45 23.30 Sun 12.34 12.20 Texas Instruments 8.76 8.70 Motorola 7.65 7.60 Intel 6.54 6.50 Hewlett-Packard 5.43 5.40	<b>NASDAQ Index</b> Class Prev. NASDAQ Composite 1,234.56 1,233.45 NASDAQ-100 789.01 788.90 NASDAQ SmallCap 345.67 345.56	<b>AMEX Most Actives</b> Vol. High Low Last Chg. IBM 123.45 123.20 123.30 -0.15 Microsoft 56.78 56.50 56.60 -0.20 Apple 45.67 45.40 45.50 -0.10 Oracle 34.56 34.30 34.40 -0.10 Cisco 23.45 23.20 23.30 -0.10 Sun 12.34 12.10 12.20 -0.10 Texas Instruments 8.76 8.60 8.70 -0.10 Motorola 7.65 7.50 7.60 -0.10 Intel 6.54 6.40 6.50 -0.10 Hewlett-Packard 5.43 5.30 5.40 -0.10	<b>AMEX Stock Index</b> High Low Open Close AMEX 123.45 123.20 123.30 123.45
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Symbol	High	Low	Open	Close	Chg.
IBM	123.45	123.20	123.30	123.45	+0.15
Microsoft	56.78	56.50	56.60	56.78	+0.20
Apple	45.67	45.40	45.50	45.67	+0.10
Oracle	34.56	34.30	34.40	34.56	+0.10
Cisco	23.45	23.20	23.30	23.45	+0.10
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Intel	6.54	6.40	6.50	6.54	+0.10
Hewlett-Packard	5.43	5.30	5.40	5.43	+0.10

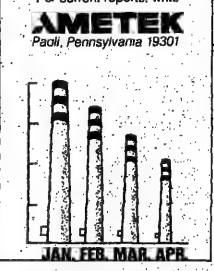
## NYSE Up in Moderate Trading

**Compiled by Our Staff From Dispatches**  
**NEW YORK** — Prices on the New York Stock Exchange pushed ahead Wednesday, continuing the rally that began on Monday. Trading in moderate volume.  
Analysts credited the rise to higher bond prices and bargain-hunting among consumer-product and drug stocks.  
By 3 P.M., an hour before the close, the Dow Jones average of 30 industrial stocks was up 6.89 points to 10,123.45. It rose 4.36 points on Tuesday.  
Although most U.S. stock market tables in this edition are from the 4 P.M. close in New York, for time reasons, this article is based on the market at 3 P.M.  
Advancing issues outnumbered declining ones by about 7-5.  
Volume totaled 117.26 million shares, up from 108.7 million on Tuesday.  
Prices were higher in moderate trading on the American Stock Exchange.  
Analysts and traders were encouraged by the market's recovery Monday and Tuesday, during which the Dow Jones industrial average gained 35.16 points, after the record-breaking sell-off earlier this month.  
Many market forecasters questioned the durability of the rebound. But dealers nevertheless continued bidding for stocks whose prices were beaten down in the general drop two weeks ago.  
Analysts said equities also drew support from the firmer tone of the credit markets. At 3 P.M., the 30-year Treasury bond was up almost a point, or nearly \$10 for each \$1,000 face amount.  
Traders said the Dow's ability to remain above the 1,800-level gave investors a small psychological lift.  
"Anyone who has been up days in a row, it's almost a positive," said Gerald Simmons, managing director in listed equity trading at Smith Barney, Harris Upham & Co. Mr. Simmons said the market is still consolidating after the "considerable damage" it incurred the week before last.  
"Prices are higher but the market's leadership is suspect," he said. "Until volume picks up, you won't see a significant advance."  
Many of the day's best gainers were stocks that were heavily sold during the market's recent plunge, Mr. Simmons noted.  
USX topped the active list, giving up ground. The stock fell 1/4 Tuesday on indications that T. Boone Pickens had sold his stake.  
(UPI, AP)

## Hang Seng Tops 2,000

**HONG KONG** — Hong Kong stock prices rose sharply in hectic trading Wednesday. The market's key barometer, the Hang Seng index, closed above 2,000 for the first time.  
Brokers said buying by managers of big British and U.S. investment funds lifted the Hang Seng index 15.70 points, to 2,008.30. The previous high was 1,997.91 on Sept. 11.  
"Fund managers still see local stocks as relatively cheap and they are getting a bit worried about the outlook for some markets overseas," one broker said.  
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IBM	123.45	123.20	123.30	123.45	+0.15
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WALL STREET JOURNAL  
Stock Market Plunge  
Enthusiasm for N  
By VARTAN G. V.  
NEW YORK — The sharp drop in the price of stocks has caused a panic among investors, who are now buying shares at a discount. The high prices of stocks are now being paid for by a small group of investors who are willing to pay a premium for the shares. The high prices of stocks are now being paid for by a small group of investors who are willing to pay a premium for the shares.

Currency Rates  
Interest Rates



THURSDAY, SEPTEMBER 25, 1986

WALL STREET WATCH

Stock Market Plunge Dims Enthusiasm for New Issues

By VARTAN G. VARTAN

New York Times Service

**N**EW YORK — The sharp decline in stock prices over the past few weeks has cast a decided chill over the formerly "hot" new-issue market. As a result, initial public offerings of companies have often been reduced in size or, in many cases, even postponed. Prices commanded by these offerings, too, have dropped.

"Many people haven't made money recently in new issues and, as a result, this has become a buyer's market," said Richard L. Fennell, head of corporate finance for Alex. Brown & Sons Inc. in Baltimore. "The high end of the market will get done, but marginal offerings are not to fall by the wayside. I think it is a healthy development."

As last week, the 100 most recent new offerings showed virtually no change from their initial price in stock-market trading. The average gain of just 0.2 percent, according to the publication "Going Public: The IPO Reporter."

It was a far different story in the spring, when new issues — and stock prices in general — were soaring. In late April, 100 of the most recent new offerings outperformed even the market's well-known barometer by a handy margin. On average, these new issues were ahead by 26.1 percent.

Earlier this year, for example, shares of financial companies going public typically rose to immediate premiums. But the latest survey shows many companies in this group trading below their initial offering price. These include Delta Savings Bank of New York, Bank of Stamford and Grove Falls Savings Bank of Burlington, Massachusetts.

Some summer-time offerings still enjoy substantial premiums. Shares in Marine Financial Corp. of Rutland, Vermont, last week were 29 percent ahead of their original price, according to the IPO Reporter. And Quip Inc., a Miami-based maker of newspaper handling equipment, had increased 50 percent.

But since August, new offerings have been confined mostly to smaller issues, unlike the blockbuster that were brought to market this spring. The largest initial public offering ever came in May, when investors snapped up \$1.2 billion worth of stock in The Stanley Corp. Inc., a collection of diverse companies spun off by Allied-Signal Corp. The initial price was \$21.25 a share. On Tuesday, Stanley fell 7.5 cents, to \$19.75, in over-the-counter trading.

**T**HANKS TO this and similarly large offerings, new-issue volume for the year totaled \$12.7 billion by the end of August, said Susan Gallant, editor of the IPO Reporter. That tops the previous record of \$12.5 billion for 1983, when high-technology offerings dominated the roller-coaster new-issue market of that year.

Charles H. Miller, G.P.'s record may topgle before this year is out. Coca-Cola Co. said recently that it would sell 51 percent of its newly formed bottling company to the public in what could rank as the largest initial public offering. Analysts have estimated that the transaction would raise at least \$1 billion and probably several hundred million dollars more.

And, looking further ahead, Miller says he has predicted that the government's proposed privatization of Consolidated Rail Corp. could raise as much as \$1 billion.

Indicative of the more cautious environment now prevailing for new issues, Reference Group Holdings Inc. said last week that it would offer 20 million shares to the public, instead of the 24.29 million shares originally planned. Controlled by the investor, Saul F. Steinberg, Reference is a holding company with major insurance operations. This outlook was the result of a decision by Mr. Steinberg and his family not to raise the \$2.5 million they had planned to sell.

Moreover, the issue was expected to be priced between \$15 and \$19 a share, with Donald Burnham Lambert Inc. heading the bid.

See STOCKS, Page 17

Currency Rates

Currency	Rate	Change
Australian dollar	1.4825	+0.0025
Belgian franc	36.45	-0.05
British pound	1.6450	-0.0050
Canadian dollar	0.7125	-0.0025
Deutsche mark	2.3625	-0.0025
French franc	6.55	-0.05
Italian lira	1.9360	-0.0060
Japanese yen	163.50	-0.50
Netherlands guilder	2.2060	-0.0060
Portuguese escudo	200.48	-0.08
Spanish peseta	166.64	-0.04
Swiss franc	1.5350	-0.0050
West German mark	2.3625	-0.0025

Interest Rates

Rate	Change
1-month T-bill	7.875%
3-month T-bill	8.125%
6-month T-bill	8.375%
1-year T-bill	8.625%

Key Money Market Rates

Rate	Change
3-month Eurodollar	8.75%
6-month Eurodollar	9.00%
1-year Eurodollar	9.25%

Gold

Price	Change
Gold (per ounce)	\$358.00
Silver (per ounce)	\$10.50

U.S. Firm To Court Bull, NEC

Honeywell Plans Restructuring

By Isaac Bernstein

New York Times Service

**M**INNEAPOLIS — Honeywell Inc. said Wednesday that it intended to restructure its information systems business and to negotiate with C. de Machines Bull of France and NEC Corp. of Japan on combining its computer business with those two companies.

Honeywell said it would continue to operate its computer business as a partner of Bull and NEC and would continue to focus on its core business of automation and control for buildings, industry and the aerospace and military industries.

Honeywell offered no details about its plan but said it was restructuring would "create an entity with the size, technological base and international market position to be a more effective competitor in the worldwide computer industry."

Honeywell's Information Systems Division, which includes mainframe computers, supercomputers and other products, made up 30 percent of the company's \$4.6 billion in revenue last year and about 35 percent of its operating profit of \$379 million.

The restructuring, Honeywell said, will assure its "computer customers of a competitive and compatible product line, greater stability and more services."

Last week, Honeywell said it would eliminate about 4,000 jobs, or 4 percent of its worldwide work force, by the end of the year because of increased competition and a slow economy. It also said it was "considering" a bid for Sperry Corp.'s aerospace business.

Honeywell owns 9 percent of Bull, which sells Honeywell and Bull systems in 75 countries. NEC supplies processors to Honeywell and distributes its computers in Japan.

Koichi Shibusawa, a New York-based spokesman for NEC, said the company had not received any request or proposal from Honeywell. But he said, "When we should receive such a request from Honeywell, we would respond to it at once."

Bull could not be reached for comment immediately.

Mexico Hopes To Sign Loan Accord Soon

By Isaac Bernstein

New York Times Service

**T**OKYO — Mexico hopes to close negotiations with international banks on a major new loan and repayments on existing foreign debt by Monday, its finance minister, Gustavo Petrosillo, said Wednesday.

"We expect 500 commercial banks" worldwide "will soon agree to a \$6-billion package loan," he said in Tokyo, where he is making a six-day official visit.

"We hope we would complete negotiations with them by Sept. 29 in time for the International Monetary Fund's annual meeting," he said.

Mr. Petrosillo said that K. T. Nakano, president of the Export-Import Bank of Japan, had agreed in principle to provide a \$1-billion loan for three projects in Mexico: a \$500-million pipeline linking the Caribbean Sea and the Pacific Ocean, a \$200-million export development project and a \$200-million expansion of the Sotavento air and sea works.

Prime Minister Yashiro Nakano told Mr. Petrosillo Wednesday that the Japanese government would do much to fund as possible to the projects, a government official said.

Earlier this month, the IMF approved a \$1.6-billion bridge loan for Mexico, but the money will not be released until commercial banks reach agreement on their \$6 billion of a \$12-billion loan package for the country. The rest of the funding will come from international organizations such as the World Bank and the Inter-American Development Bank. Mexico's foreign debt is about \$98 billion.

Big Stores Find Small Is Profitable

U.S. Retailers Rebuild Along Specialty Lines

By Isaac Bernstein

New York Times Service

**N**EW YORK — "Making a statement" is the latest in retailing, often used to describe a designer's new line.

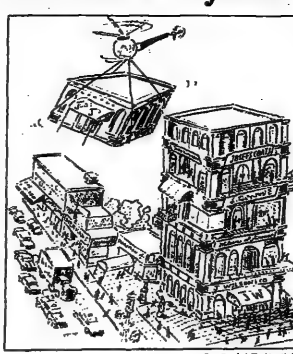
In the retailing business itself, however, it is the specialty store — the Limited, Brooks Brothers, Banana Republic, C. de Machines Bull of France and NEC Corp. of Japan — that have made the most notable statements in recent years, while the giant department stores have generally plodded along.

The biggest U.S. retailers are trying to change all that. From their mid-century predecessors, relics of a more genteel and less hectic era, the department stores are restructuring operations, peeling down their buildings, weeding out some product lines, spotlighting others — and, in many cases, cutting the number of employees.

A retailer has even spun off specialty stores from many, but not all of them, in the apparel field. Among the companies that are redesigning their businesses are such behemoths as Sears, Roebuck & Co., Montgomery Ward and Woodworth's.

Bloomingdale's has announced plans to open the first two of a projected chain of small stores in airports here and in Detroit. To be known as "Bloomingdale's Express," the small stores will sell only "Bloomingdale's" merchandise. Two years ago, Bloomingdale's parent, Federated Department Stores, entered the lower-priced specialty store field with "Maidenhead," a chain with 11 stores in the Chicago area and 7 scheduled to open this year in Detroit and Cleveland.

Champs was all but inevitable, given the department store's current state of siege. On one flank



Gay Zander/The New York Times

are the discount stores, which cannot rival the large retailers for service, but can undercut their prices on such commodities as shoes, sporting goods and large household appliances. On the other flank are the specialty stores, which cannot compete in range of products but can offer a higher level of service, greater depth in a limited range of merchandise and quicker responsiveness to trends.

All these features are attractive to two of the newest breeds of customers: working women, who do not have the leisure to shop that their mothers had, and affluent shoppers, who like a selection of merchandise directed at their income level and the way they live.

"In the segmentation of American society, the specialty-store entrepreneurs and specialty-chain stores have moved most aggressively in the last year."

See RETAILERS, Page 17

Fed Chairman Suggests Dollar Is at Right Level

By Isaac Bernstein

New York Times Service

**W**ASHINGTON — The chairman of the U.S. Federal Reserve Board, Paul A. Volcker, said Wednesday that he felt that the dollar had declined enough and that other policy changes were needed to take care of America's trade problems.

"In contrast to the situation 18 months ago, and assuming government markets are open to us, my sense is that we are, for now, reasonably close to an appropriate adjustment in that area," Mr. Volcker said in prepared testimony to Congress.

The Fed chairman's comments gave the dollar an early shot in the arm Wednesday, pushing it briefly above its opening loss on currency markets, but it then settled back in later trading.

The dollar closed in London at 2.0475 Deutsche marks, down from 2.0510 on Tuesday.

Mr. Volcker's testimony put him in apparent disagreement with Reagan administration views. Last week, Treasury Secretary James A. Baker 3d lamented the push the value of the dollar lower unless the United States' trading partners did not do more to stimulate their own economies.

Mr. Baker's comments sparked a two-day slide in the dollar on foreign exchange markets. Mr. Volcker, testifying before a House Ways and Means trade subcommittee, said he believed the dollar had fallen far enough over the last 18 months and that further declines could threaten to renew U.S. inflation.

The U.S. currency has dropped about 30 percent from its highs against the West German Deutsche mark and the Japanese yen early last year.

"I don't want an overly depressed dollar either," Mr. Volcker said. "At this point, I am not sure any further adjustment in the dollar is necessary. I would put the emphasis on other policies."

He added: "Indeed, without the support of other policies, the United States cannot be competitive in important respects in the United States and the rest of the world."

To correct its yawning trade deficits, the Fed chairman said, the United States must begin to depress domestic demand, through possible changes in fiscal policy.

See VOLCKER, Page 17

Britain Reports Record Trade Deficits for August

By Isaac Bernstein

New York Times Service

**L**ONDON — Britain said Wednesday that its August current-account and merchandise trade deficits were the worst for any month on record, and the pound plunged added to world currency markets before the Bank of England intervened to support it.

The scale of the deficit announced by the Trade and Industry Department was a surprise and it undermined government forecasts that, for the whole of 1986, the nation would balance its trade with the rest of the world.

The government described the figures as "disappointing."

The merchandise trade deficit widened to \$1.49 billion in August from \$588 million in July.

The deficit on the current account, which combines trade in both goods and such nonmerchandise items as financial services and shipping, was put at \$386 million.

The previous record was set in March, the deficit was \$666 million.

Government sources attributed the deficit to across-the-board rises in imports and falls in exports. Some analysts said a consumer boom, fed by high wage increases, had driven up imports.

"August trade figures are extremely alarming. They show that Britain is heading for a large deficit for 1986," said John Smith, the trade spokesman for the opposition Labour Party.

Exports fell to \$5.4 billion in August from \$5.9 billion in July.

Imports rose to \$6.9 billion from \$6.5 billion.

The Bank of England bought sterling against the dollar and the Deutsche mark after the pound slipped to a quoted low of \$1.4465 when news of the deficit hit financial markets.

The pound closed in London at \$1.4475, down from \$1.4495 on Tuesday. It was trading at around \$1.4480 a week ago.

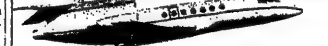
Some analysts say falling North Sea oil revenues has cast shadow over British economic prospects. Sterling fell below \$3 DM last week for the first time. It closed Wednesday in London at 2.961 DM.

The pound has also been buffeted recently by investor uncertainty about possible general elections next year, with the Labor Party leading in opinion polls.

Prime Minister Margaret Thatcher, a Conservative, must call elections by June 1987 but is widely expected to do so next year.

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Weekly net asset value

Tokyo Pacific Holdings N.V.

on September 22, 1986: U.S. \$178.60

Listed on the Amsterdam Stock Exchange

Information: Plesner, Harding & Plesner N.V.

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**Wednesday's NYSE Closing**

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

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**Tickets Reported to Sell**

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**TRANSCA**

**ESCORTS & CLUBS**

**GENEVA ESCORT**

**Indonesia Expects Drop In Foreign Investment**

JAKARTA — Foreign investment in Indonesia is likely to fall again this year despite a brief surge in project approvals after the government announced a new incentive package early this year, the chairman of the Investment Coordinating Board said Wednesday.

"I'm not too optimistic that overall foreign investment approvals in 1986 will exceed last year's level of \$859 million," Giannar Kartasmita told parliament.

He said, however, that approvals of foreign investment projects rose to \$615.3 million in the first eight months from \$523.3 million a year earlier. Foreign companies operating here must do so through joint ventures.

Investment rose significantly after May, when the government announced new financial and tax incentives and doubled the number of business sites open to foreigners.

If foreign investment does drop in 1986, it would be the third consecutive decline since a record \$2.9 billion in such investment in 1983.

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**U.S. Treasuries**

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